



# House of Representatives

General Assembly

**File No. 316**

February Session, 2018

Substitute House Bill No. 5383

*House of Representatives, April 9, 2018*

The Committee on Insurance and Real Estate reported through REP. SCANLON of the 98th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## ***AN ACT CONCERNING DISPUTES BETWEEN HEALTH CARRIERS AND PARTICIPATING PROVIDERS THAT ARE HOSPITALS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (g) of section 38a-472f of the 2018 supplement  
2 to the general statutes is repealed and the following is substituted in  
3 lieu thereof (*Effective July 1, 2018*):

4 (g) (1) (A) A health carrier and participating provider shall provide  
5 at least [sixty] ninety days' written notice to each other before the  
6 health carrier removes a participating provider from the network or  
7 the participating provider leaves the network. Each participating  
8 provider that receives a notice of removal or issues a departure notice  
9 shall provide to the health carrier a list of such participating provider's  
10 patients who are covered persons under a network plan of such health  
11 carrier.

12 (B) A health carrier shall make a good faith effort to provide written

13 notice, not later than thirty days after the health carrier receives or  
14 issues a written notice under subparagraph (A) of this subdivision, to  
15 all covered persons who are patients being treated on a regular basis  
16 by or at the participating provider being removed from or leaving the  
17 network, irrespective of whether such removal or departure is for  
18 cause.

19 (C) For each contract entered into, renewed, amended or continued  
20 on or after July 1, 2018, between a health carrier and a participating  
21 provider that is a hospital, as defined in section 38a-493, or a parent  
22 corporation of a hospital, if the contract is not renewed or is terminated  
23 by either the health carrier or the participating provider, the health  
24 carrier and the participating provider shall continue to abide by the  
25 terms of such contract, including reimbursement terms, for a period of  
26 sixty days from the date of termination or, in the case of a nonrenewal,  
27 from the end of the contract period. This subparagraph shall not apply  
28 if the health carrier and participating provider agree, in writing, to the  
29 termination or nonrenewal of the contract and the health carrier and  
30 participating provider provide the notices required under  
31 subparagraphs (A) and (B) of this subdivision.

32 (2) (A) For the purposes of this subdivision:

33 (i) "Active course of treatment" means (I) a medically necessary,  
34 ongoing course of treatment for a life-threatening condition, (II) a  
35 medically necessary, ongoing course of treatment for a serious  
36 condition, (III) medically necessary care provided during the second or  
37 third trimester of pregnancy, or (IV) a medically necessary, ongoing  
38 course of treatment for a condition for which a treating health care  
39 provider attests that discontinuing care by such health care provider  
40 would worsen the covered person's condition or interfere with  
41 anticipated outcomes;

42 (ii) "Life-threatening condition" means a disease or condition for  
43 which the likelihood of death is probable unless the course of such  
44 disease or condition is interrupted;

45 (iii) "Serious condition" means a disease or condition that requires  
46 complex ongoing care such as chemotherapy, radiation therapy or  
47 postoperative visits, which the covered person is currently receiving;  
48 and

49 (iv) "Treating provider" means a covered person's treating health  
50 care provider or a facility at which a covered person is receiving  
51 treatment, that is removed from or leaves a health carrier's network  
52 pursuant to subdivision (1) of this subsection.

53 (B) (i) Each health carrier shall establish and maintain reasonable  
54 procedures to transition a covered person, who is in an active course of  
55 treatment with a participating health care provider or at a participating  
56 facility that becomes a treating provider, to another participating  
57 provider in a manner that provides for continuity of care.

58 (ii) In addition to the notice required under subparagraph (B) of  
59 subdivision (1) of this subsection, the health carrier shall provide to  
60 such covered person (I) a list of available participating providers in the  
61 same geographic area as such covered person who are of the same  
62 health care provider or facility type, and (II) the procedures for how  
63 such covered person may request continuity of care as set forth in this  
64 subparagraph.

65 (iii) Such procedures shall provide that:

66 (I) Any request for a continuity of care period shall be made by the  
67 covered person or the covered person's authorized representative;

68 (II) A request for a continuity of care period, made by a covered  
69 person who meets the requirements under subparagraph (B)(i) of this  
70 subdivision or such covered person's authorized representative and  
71 whose treating provider was not removed from or did not leave the  
72 network for cause, shall be reviewed by the health carrier's medical  
73 director after consultation with such treating provider; and

74 (III) For a covered person who is in the second or third trimester of  
75 pregnancy, the continuity of care period shall extend through the

76 postpartum period.

77 (iv) The continuity of care period for a covered person who is  
78 undergoing an active course of treatment shall extend to the earliest of  
79 the following: (I) Termination of the course of treatment by the covered  
80 person or the treating provider; (II) ninety days after the date the  
81 participating provider is removed from or leaves the network, unless  
82 the health carrier's medical director determines that a longer period is  
83 necessary; (III) the date that care is successfully transitioned to another  
84 participating provider; (IV) the date benefit limitations under the  
85 health benefit plan are met or exceeded; or (V) the date the health  
86 carrier determines care is no longer medically necessary.

87 (v) The health carrier shall only grant a continuity of care period as  
88 provided under subparagraph (B)(iv) of this subdivision if the treating  
89 provider agrees, in writing, (I) to accept the same payment from such  
90 health carrier and abide by the same terms and conditions as provided  
91 in the contract between such health carrier and treating provider when  
92 such treating provider was a participating provider, and (II) not to  
93 seek any payment from the covered person for any amount for which  
94 such covered person would not have been responsible if the treating  
95 provider was still a participating provider.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2018	38a-472f(g)

**INS**      *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

---

***OFA Fiscal Note******State Impact:*** None***Municipal Impact:*** None***Explanation***

The bill's increased notice requirements are not anticipated to result in a fiscal impact to the state or municipal health plans, nor is the 60 day continuation of terms for disputed non-renewals or terminations. The impact to the plans will be determined by any subsequent negotiated contract and not as a result of the provisions of the bill.

***The Out Years******State Impact:*** None***Municipal Impact:*** None

**OLR Bill Analysis****sHB 5383*****AN ACT CONCERNING DISPUTES BETWEEN HEALTH CARRIERS  
AND PARTICIPATING PROVIDERS THAT ARE HOSPITALS.*****SUMMARY**

This bill requires health carriers and hospitals to continue to abide by a contract's terms for 60 days following a nonrenewal or termination. Under the bill, a health carrier and a participating provider hospital (i.e., a hospital that contracts with the carrier to be "in network") or the hospital's parent corporation must continue to abide by the terms of a nonrenewed or terminated contract, including reimbursement terms, for at least 60 days after the contract ends. Health carriers and participating provider hospitals that mutually agree in writing to not renew or terminate a contract may do so without waiting the 60 days as long as they provide the statutory notification, which includes making a good faith effort to notify all impacted patients at least 30 days in advance of the nonrenewal or termination. The provisions apply to any contract entered into, renewed, amended, or continued on or after July 1, 2018.

The bill also increases, from 60 to 90 days, the amount of advanced notice a health carrier and participating provider must provide each other before the carrier removes a provider from, or the provider leaves, the network.

The bill also makes a conforming change.

EFFECTIVE DATE: July 1, 2018

**COMMITTEE ACTION**

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 20 Nay 1 (03/20/2018)